



House of Representatives

General Assembly

File No. 300

February Session, 2004

Substitute House Bill No. 5509

House of Representatives, March 29, 2004

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

**AN ACT CONCERNING FEES IMPOSED BY THE DEPARTMENT OF
MOTOR VEHICLES ON MUNICIPALITIES REPORTING PERSONS
WHO ARE DELINQUENT IN PAYING PERSONAL PROPERTY TAXES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 14-33 of the general statutes, as
2 amended by section 5 of public act 03-264 and section 102 of public act
3 03-1 of the June 30 special session, is repealed and the following is
4 substituted in lieu thereof (*Effective October 1, 2004*):

5 (a) If any property tax, or any installment thereof, laid by any city,
6 town, borough or other taxing district upon a registered motor vehicle
7 or snowmobile remains unpaid, the tax collector of such city, town,
8 borough or other taxing district shall notify the Commissioner of
9 Motor Vehicles of such delinquency in accordance with listings and
10 schedules of dates established by the commissioner and on forms
11 prescribed and furnished by the commissioner, specifying the name
12 and address of the person against whom such tax has been assessed,

13 the date when such tax was due and the registration number, if known
14 to the collector. Such forms shall be submitted to the commissioner,
15 [together with payment of a fee of fifty cents for each such vehicle or
16 snowmobile. Such fee shall be deposited into the General Fund.] The
17 commissioner shall not issue registration for such motor vehicle or
18 snowmobile for the next registration period if, according to the
19 commissioner's records, it is then owned by the person against whom
20 such tax has been assessed or by any person to whom such vehicle has
21 not been transferred by bona fide sale. Unless notice has been received
22 by the commissioner under the provisions of section 14-33a, no such
23 registration shall be issued until a receipt evidencing the payment of
24 such tax or certificate of abatement of such tax or other satisfactory
25 evidence that the tax obligation has been legally discharged has been
26 presented to the commissioner; nor shall the commissioner register any
27 other motor vehicle or snowmobile in the name of such person until a
28 receipt evidencing the payment of such tax or a certificate of abatement
29 of such tax or other satisfactory evidence that the tax obligation has
30 been legally discharged has been presented to the commissioner,
31 except that the commissioner may continue to register other vehicles
32 owned by a leasing or rental firm licensed pursuant to section 14-15, if
33 the commissioner is satisfied that arrangements have been made to
34 discharge such tax obligation, and may issue such registration to any
35 private owner of three or more paratransit vehicles in direct
36 proportion to the percentage of total tax due on such vehicles which
37 has been paid and notice of payment on which has been received. The
38 Commissioner of Motor Vehicles may immediately suspend all motor
39 vehicle or snowmobile registrations issued in the name of any person
40 (1) who has been reported as delinquent and whose registration was
41 renewed through an error or through the production of false evidence
42 that the delinquent tax had been paid, or (2) who has been reported by
43 a tax collector as having paid a property tax on a motor vehicle or
44 snowmobile with a check which was dishonored by a bank and such
45 tax remains unpaid. Any person aggrieved by any action of the
46 commissioner under this section may appeal therefrom in the manner
47 provided in section 14-134. For the purposes of this subsection,

48 "paratransit vehicle" means a motor bus, taxicab or motor vehicle in
49 livery service operated under a certificate of convenience and necessity
50 issued by the Department of Transportation or by a transit district and
51 which is on call or demand or used for the transportation of
52 passengers for hire.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>

PD*Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Motor Vehicle Dept.	GF - Revenue Loss	(200,000)	(200,000)

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 05 \$	FY 06 \$
All Municipalities	Savings	200,000	200,000

Explanation

The bill eliminates the 50-cent surcharge paid by municipalities on each delinquent motor vehicle tax reported to the Department of Motor Vehicles. This will result in a revenue loss of \$200,000 to the General Fund and a cost savings in the aggregate of \$200,000 to municipalities. The estimate is based on information recently available which indicates that only 80 of the 169 municipalities have opted to report delinquent motor vehicle taxes to the DMV.

Public Act 03-1 of the June 30th Special Session requires municipalities to pay 50 cents for each motor vehicle with delinquent property taxes when reported to the Department of Motor Vehicles. The fee is deposited into the General Fund.

OLR Bill Analysis

sHB 5509

***AN ACT CONCERNING FEES IMPOSED BY THE DEPARTMENT
OF MOTOR VEHICLES ON MUNICIPALITIES REPORTING
PERSONS WHO ARE DELINQUENT IN PAYING PERSONAL
PROPERTY TAXES***

SUMMARY:

This bill eliminates the requirement that a municipality pay to the Department of Motor Vehicles a \$0.50 fee for each vehicle or snowmobile with delinquent property taxes it reports to the department. By law, the department cannot register the vehicle or snowmobile (unless it has been sold) until the owner demonstrates that he has paid the property tax. Under current law, the fee goes into the General Fund.

EFFECTIVE DATE: October 1, 2004

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 16 Nay 0